

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 576-01
Bill No.: HB 70 with SCA 1
Subject: Motor Vehicles
Type: Original
Date: May 3, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Highway Safety	(\$108,240)	(\$36,080)	(\$18,040)
Total Estimated Net Effect on <u>All</u> Federal Funds	(\$108,240)	(\$36,080)	(\$18,040)

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration - Missouri Head Injury Advisory Council** assume no fiscal impact to their organization from this proposal.

In response to a prior version of this proposal, officials of the **Office of the State Courts Administrator, Department of Public Safety - Missouri Division of Highway Safety and Missouri Highway Patrol, Department of Revenue, Department of Mental Health, Department of Insurance, Office of Prosecution Services, Office of the State Public Defender, and Department of Transportation - Highway** responded they assumed there would be no direct fiscal impact to their organization.

Officials of the **Department of Health (DOH)**, Bureau of Special Health Care Needs, Adult Head Injury Program estimate 8 additional persons over the age of 20 would incur head or spinal injuries due to not using motorcycle helmets and would be severely disabled or need extended or rehabilitation care and have either insurance or government insurance. The DOH estimates the average cost per client served by the Bureau of Special Health Care (BSHCN) Needs Adult Head Injury Program to be \$3,753 per year. Nothing in the statute or regulation requires the DOH to include these individuals in its Head Injury Program. This legislation, as amended, is estimated to cost the DOH from \$0 - \$30,024 annually. The BSHCN provides statewide service coordination and rehabilitative services to survivors of head injury over the age of 21 who meet medical and financial eligibility requirements. Services include evaluation and assessment of needs, assistance in locating and accessing services available through various state agencies, including the DOH.

The Head Injury Program also provides rehabilitative services such as functional living rehabilitation, day activity rehabilitation, in-home support, personal care service, pre-vocational/pre-employment training, recreation services, transportation, supported employment, community support services, special instruction, physical therapy, occupational therapy, speech therapy, and psychologist/ neuropsychologist evaluation for those who meet 185% of poverty income guidelines. If this bill passes, data indicates an additional eight (8) persons would be eligible for the Head Injury Program.

ASSUMPTION (continued)

Officials from the **Department of Social Services, Division of Medical Services (DOS-DMS)** assume this proposal could result in increased costs to the Medicaid Program. Further, DOS-DMS assumes that federal law and regulation would prevent DOS-DMS from declining payment of treatment costs as required by this proposal. Based on the DOH's assumptions that an additional eight people would become uninsured head-injury cases and seek rehabilitative services through the state, DOS-DMS also assumes these same eight individuals would qualify for Medicaid as permanently and totally disabled (PTD) clients. The total annual costs to the Medicaid program could range from \$0 to \$533,320.

Oversight assumes some people over 21 would choose not to wear protective headgear, as a result of this proposal. Accordingly, there may be an increase in injuries or the severity of injuries to motorcyclists not wearing protective headgear which may **indirectly** result in increased costs to the state. Oversight assumes no **direct** fiscal impact to state and local governments from passage of this proposal.

Amendment 1

Officials from the **Department of Public Safety** assume the department would be required to mail brochures regarding the benefits associated with wearing a helmet to all persons licensed to ride motorcycles or motortricycles. The department would also have to keep track of costs of associated injuries due to not wearing a helmet as well as conduct a study of states which have repealed helmet laws. Postage and printing will be the only items requested.

Oversight assumes the Department of Public Safety will absorb the cost of the statistical reporting, and the study of states which have repealed helmet laws, from existing resources.

Officials from the **Department of Revenue** and the **Department of Transportation** assume no fiscal impact to their organizations.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
FEDERAL HIGHWAY SAFETY GRANT FUNDS			
<u>Cost - Department of Public Safety</u>			
Expense and Equipment			
Postage	(\$83,640)	(\$27,880)	(\$13,940)
Printing	(\$24,600)	(\$8,200)	(\$4,100)
Total	<u>(\$108,240)</u>	<u>(\$36,080)</u>	<u>(\$18,040)</u>
ESTIMATE NET EFFECT ON FEDERAL HIGHWAY SAFETY GRANT FUNDS	<u>(\$108,240)</u>	<u>(\$36,080)</u>	<u>(\$18,040)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal would require that motorcyclists under 21 years of age and every person operating a motorcycle or motor tricycle which has a passenger who is under 21 years of age wear protective headgear. Currently, all motorcyclists are required to wear protective headgear. Any person who suffers a head injury while operating a motorcycle or motortricycle on any highway in the state and was not wearing protective headgear at the time would be ineligible for state aid or assistance for medical treatment of such injury.

The amendment would require the Department of Public Safety to mail brochures regarding the benefits associated with wearing a helmet to all persons licensed to ride motorcycles or motortricycles. The department would also be required to track costs associated with injuries due to not wearing a helmet, and conduct a study of states which have repealed helmet laws.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Health
Department of Social Services
 Division of Medical Services
Office of Administration
 Missouri Head Injury Advisory Council
Department of Revenue
Department of Public Safety
Department of Transportation

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large initial "J" and a cursive "T".

Jeanne Jarrett, CPA
Director
May 3, 2001